

August 20, 2003

TO: IAC Members and Designees

FROM: Laura Eckert Johnson, Director

PREPARED BY: Marguerite Austin, Manager
Recreation Section, Project Services Division

SUBJECT: Washington Wildlife and Recreation Program
Distribution of Returned Funds – State Parks Category
Notebook Item #1c (*Consent Calendar*)

Summary

More than \$1.1 million in Washington Wildlife and Recreation Program (WWRP) funds are available for distribution to alternate or partially funded projects. All of the funds were returned from projects originally funded out of the State Parks category of the Outdoor Recreation Account. Staff is recommending consent approval to use these uncommitted dollars to fund eligible alternate State Parks projects in succeeding biennia.

Background

Periodically, IAC receives returned grant funds from project sponsors who complete projects without using the entire grant. In some instances the sponsor withdraws the project during the preliminary acquisition or design phase. Typically these projects are withdrawn because there are insurmountable obstacles that make implementation of the project extremely difficult. In some instances:

- ▶ Acquisition is not possible because there is an unwilling seller,
- ▶ Addressing permitting and/or environmental issues require significant modifications that impact costs and/or project timelines, or
- ▶ Project costs significantly exceed the estimates included in the application and there are not enough funds to complete the approved scope of work.

IAC maintains ranked lists of alternate projects approved by the Legislature. These alternate projects are sometimes funded with monies returned from projects that were either completed under budget or were unsuccessful. As directed by the Legislature through the year 2000, returned funds were only used on alternate projects within the same biennial budget. To expedite the process of distributing returned monies, the Board delegated authority to the Director to re-allocate these funds to the next eligible alternate projects within the same WWRP category approved by the Legislature.

Sometimes identifying eligible alternates within the same category and biennial period is difficult. In some instances, alternate projects received grants during subsequent

WWRP funding cycles, were completed using other fund sources, or are no longer viable projects (i.e. properties sold, unwilling seller, matching share no longer available, etc.). The Board occasionally approves using returned monies for alternate projects in a different category based on an analysis of eligible alternates, urgent needs, funding priorities, use of unallocated monies, etc.

To address this issue, the 2001 Legislature, at the request of the Washington Wildlife and Recreation Coalition, added a proviso to the State Capital Budget that allows the Board to redistribute returned funds to more current projects. The proviso states:

“The reappropriation in this section is subject to the following conditions and limitations: Reappropriated funds that are not obligated to a specific project may be used to fund projects from the list of alternate projects in biennia succeeding the biennium in which the funds were originally appropriated.” (SSB 6155 Section 347)

With this proviso, the Board now has authority to move WWRP funds allocated through the 1999-2001 biennium to other biennia. In other words the Board can move “old” returned funds to “newer” projects.

Available Funds

In the past few months, staff has worked closely with project sponsors to close projects and identify funds available for redistribution. In particular, State Parks has accelerated its efforts to expend funds reallocated from previous biennia. The table below identifies returned funds currently available in the State Parks category and the biennium in which those funds were appropriated.

Table 1			
WWRP State Parks Category - Returned Funds			
Biennium	IAC#	Project Name	Funds Returned
1991-1993	93-804A	Nisqually/Michel, 1992	\$8,290.93
1991-1993	93-848D	Haley Property	\$156,242.88
1991-1993	93-849D	Rasar State Park, 1992	\$63,665.20
1995-1997	96-130A	Nisqually/Mashell - Phase 4 Acquisition	\$8,283.79
1997-1999	96-1077A	Nisqually/Mashell - Phase 4 Acquisition	\$5.66
1997-1999	96-1144D	Lime Kiln Pt, Phase 2 Development	\$4,694.02
1997-1999	96-1081D	Beacon Rock - Doetsch Campground	\$925,920.01
		Total	\$1,167,102.49

As shown in Table 1, State Parks returned \$1,167,102. This includes \$925,920 from Beacon Rock - Doetsch Campground Development, IAC # 96-1081D. Parks invested a considerable amount of resources to pursue planning and design of this project. Unfortunately, Parks must work through complex zoning and access issues before they can complete the campground design. Parks will most likely seek a construction grant once the issues are resolved.

Funding Approach

While there are several options for distribution of the returned monies, IAC staff review and assessment is based on the following criteria:

- Fund partially funded projects that are in need of additional funding to maintain the original intent of the project
- Fund projects in “active” or “board funded” statuses
- Fund projects in the same category as originally approved
- Fund projects that are progressing and can be completed within a limited timeframe (before the end of this biennium), and
- Fund projects that meet the sponsor’s current priorities.

As discussed earlier, alternate lists of eligible WWRP projects are maintained for each biennium. The lists are more commonly known as LEAP Capital Document No. 98-6, LEAP Capital Document No. 1999-W3, etc. After staff identified viable alternates from the approved LEAP lists, State Parks was contacted to see if funds were still needed and if the projects are still priorities. Attached are LEAP documents that show the eligible alternates for State Parks category projects.

Staff Recommendation

After careful review and consultation with State Parks, IAC staff recommends distribution of returned funds to three partially funded alternates in succeeding biennia. This recommendation is shown in the following table.

Table 2			
WWRP State Parks Category – Fund Allocation			
Biennium	IAC #	Project	Funds Allocated
1999-2001	98-1060A	Inholdings & Adjacent Properties - 2000	\$163,511.77
1999-2001	98-1071D	Camano Island - Cama Beach	\$740,393.00
2003-2005	02-1139A	Fort Canby - Seaview Dunes	\$263,197.72
		Total	\$1,167,102.49

The background for the recommendation is as follows.

Outdoor Recreation Account – State Parks Category

In the 1999-01 biennium the Legislature delegated authority to State Parks to select projects from the WWRP State Parks list in Leap Capital Document 1999-W3. Funding was limited to a maximum of \$4.23 million. To more widely distribute the funds available, Parks requested IAC approval for partial funding of projects even though Legislative authority allowed full funding of the projects.

The first partially funded alternate is *Camano Island - Cama Beach, IAC #98-1071D*. State Parks completed the design of the Cama Beach Development and requests use of returned monies for full funding of this project. These funds will allow completion of the approved project scope, which involves development of day use facilities at a new state park. This is a high priority project for the State Parks and Recreation Commission and was approved by IAC and the Legislature as the number one ranked State Parks category project in the biennium.

The second partially funded alternate in the 1999-01 biennium is *Inholdings & Adjacent Properties - 2000, IAC #98-1060A*. This project allows State Parks to acquire properties that are surrounded by or immediately adjacent to existing state parks. Parks has used these funds for small, yet significant acquisitions and requests full funding of the project.

The last project recommended for funding is *Fort Canby - Seaview Dunes, IAC #02-1139A*. This is the first partially funded State Parks category alternate on the 2003-05 biennial list of projects approved by the 2003 Legislature. This seventh ranked project provides for acquisition of property to expand Fort Canby State Park, which is located in Grays Harbor County.

Staff recommends funding approval as depicted in Table 2.

Attachments

- ▶ LEAP Capital Document 1999-W3 – WWRP State Parks category
- ▶ LEAP Capital Document 2003-45 – WWRP State Parks category